MONTHLY NOTES

FARM MANAGEMENT AND FARM ECONOMICS

June 1, 1922.

DURING THE MONTH past, events have sketched a few high-lights into the picture - and a few shadows as well. A picture is seldom all one or the other.

Prices of cotton, hogs, cattle, and sheep have been fairly strong. That in itself is a very heavy factor on the plus side.

Then freight rates have been ordered cut; and prices of some important farm supplies have eased down a little; and the general improvement in business and financial conditions has been more or less reflected out into small towns so that many country merchants and bankers and dealers feel better than they did three months ago. That is important to farmers.

Then it is the spring of the year, when everybody jumps into the harness and spirits naturally rise a little anyhow. The psychological factor is nothing to be sneezed at - not in this modern day!

But the picture has its other side.

There are all those hundreds of men in the South whose land has been under water a good share of the spring; who have planted cotton and grain and potatoes over two and three times; who have seen good, growing crops go under water to final ruin, - thousands of acres of potatoes gone in Texas, for instance, was the talk three weeks ago.

There are the corn belt men who have struggled with diabolical weather to get their crops in, and are now trying to get their bearings with things two to three weeks behind; who have seem their spring pigs die by the hundreds through cold, rainy weather, and been unable to help it even though hogs do happen to be now over $10 a hundred.

There are the stock men of the West who have lost almost a third of their lambs from the terrible spring weather, and from the prevalence of old ewes kept over through all the economic storms so that they might have at least some breeding stock with which to revive their industry.

There are the dairy farmers of the East who are unable to figure how their present herds can be maintained with milk prices going down and feed prices going up.

This coming month we shall get into wheat harvest and haying, and when there is actually something in the barns and granaries to sell, we are likely to know whether the much mentioned improvement in farmers' purchasing power is real or theoretical.

PRICE INDEXES FOR MONTH ENDING MAY 1

1913 = 100

Farm product figures from Department of Agriculture; commodity groups from Bureau of Labor Statistics. Shows year ago, low point (December 1921), and latest available month:

Farm Products
(Prices at the farm)

	April 1921	Dec. 1921	Mar. 1922	April 1922	Month Change
Cotton	76	130	129	128	
Corn	106	72	96	100	Higher
Wheat	188	118	149	154	Higher
Hay	119	110	112	118	Higher
Potatoes	106	173	177	162	Lower
Beef cattle	103	78	93	94	
Hogs	106	89	121	118	Lower
Eggs	106	265	103	109	Higher
Butter	150	152	128	128	
Wool	107	101	150	148	

Commodity Groups
(Wholesale Prices)

	April 1921	Dec. 1921	Mar. 1922	April 1922
Farm products	115	113	128	127
Food, etc.	141	139	138	137
Cloths & clothing	186	185	182	181
Fuel & lighting	199	187	183	187
Metals & met. products	138	119	114	117
Building materials	203	203	202	201
Chemicals, etc.	168	161	159	160
House-furnishing goods	274	218	213	211
All commodities	154	149	152	152

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(illegible)
(illegible)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

(illegible)
(illegible)

(illegible)

(illegible)

(illegible)

RELATIVE PURCHASING POWER

(At April 1922 Farm Prices)

1913 = 100

In terms of:	Of a Unit of: Cotton	Corn	Wheat	Hay	Potatoes
All commodities	84	66	101	78	107
Cloths, etc.	71	55	85	65	90
Fuel, etc.	68	53	82	63	87
Metals, etc.	109	85	132	101	137
Bldg. materials	64	50	77	59	81
House-furnishing goods	61	47	73	56	77

	Beef cattle	Swine	Eggs	Butter	Wool
All commodities	62	78	72	84	97
Cloths, etc.	52	65	60	71	82
Fuel, etc.	50	63	58	68	79
Metals, etc.	80	101	93	109	126
Bldg. materials	47	59	54	64	74
House-furnishing goods	45	56	52	61	70

THE TREND OF PURCHASING POWER during April showed more of stabilization than of improvement. Cotton, potatoes, hogs, wool went a trifle lower; corn, wheat, hay, cattle, eggs a trifle higher. None shifted materially.

This is the time of year when farmers have to buy heavily of supplies and equipment. It is also the time when they have least on hand to sell. Unless prices help to make up the differential, it is difficult for them to maintain even a normal purchasing power.

Such improvement in prices of farm products as occurred last month was a help, but it still left agriculture in position to buy, at best, only about two-thirds of its normal spring needs.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

SIGNIFICANT MOVEMENT OF FARM PRODUCTS

Figures show corn, hogs, cattle receipts at primary markets; butter receipts at 5 markets; wheat (including flour) and cotton exports. All figures given to nearest thousand:

Month	CORN Receipts Th. Bu.	HOGS Receipts Thousands	CATTLE Receipts Thousands	BUTTER Receipts Th. lbs.	WHEAT Exports Th. Bu.	COTTON Exports Th. Bales
1921 Apr.	11,541	3,230	1,494	38,841	24,791	320
1922 Jan.	52,097	4,278	1,628	41,697	14,985	475
" Feb.	58,330	3,612	1,416	38,894	10,991	338
" Mar.	31,035	3,411	1,622	44,919	14,371	461
" APR.	14,552	3,067	1,470	42,694	10,244	612

Considerable less corn sent to market than during March, but more than last year (or two years ago.)

Seasonal decline in number hogs marketed. Normally, will increase in May.

Cattle likewise.

Less butter made than during March.

Wheat exports dropped off somewhat. Much smaller than last year.

Marked increase in cotton exports. (Germany and England both bought more than previous month.) American consumption fell off.

SEED TIME AND HARVEST - that is the title of a bulletin put out last month by this Bureau, the work of Messrs. O. E. Baker, Brooks, Covert, and Hainsworth. It is literally a series of pictures (graphs) that show what happens on American farms and when it happens. A splendid reference to have about your desk. Ask for Department Circular 183.

SPEAKING OF MARKETING CORN, we can't help but note that Europe gives evidence of being able to take a little corn when her needs are sufficiently acute.

In February, we exported over 22 million bushels of corn; in March over 23 million bushels; total of January, February and March over 65 million bushels - or three times the normal exports for this period. During March, Germany bought 5 million bushels, England nearly as much, Netherlands over 4 million.

What's the matter with sending an able apostle or two over to preach a little more corn?

WE HAVE BEEN AT A LOSS more than once, personally, to know where to put our hand on farm machinery figures. Then along came the bulletin by Tolley and Church of this Department, and gave us some production statistics at least. You may also have use for this - it is Department Circular 212, "Manufacture and Sale of Farm Equipment in 1920."

BY ANOTHER MONTH THIS BUREAU will have become officially the new "Bureau of Agricultural Economics." This represents a consolidation of the three former Bureaus of Markets, Crop Estimates, and Farm Management, and a general revamping of economic work. We surmise that economics men in the States will want to keep an eye on developments here; for it is undoubtedly a time when changes in investigations and general activities in this field are the subject of widespread attention.

FROM COLORADO comes another monthly sheet, put out by Mr. Thos. H. Summers, the Farm Management Specialist in that State. In Iowa, also, the Extension Bulletin devotes much space to Professor Thompson's economic material, likewise the Ohio Bulletin to Mr. Taber's. This seems to us like mighty good stuff.

THE TREND OF FREIGHT RATES has more than academic interest for us all. Here is the trend this past year of representative farm products. We will bring it down to date of the reductions recently ordered when the new tariffs are announced:

Rates in cents per 100 lbs.

COMMODITY	From	To	1913	Aug. 1921	April 1922
Wheat	Denver, Colo.	Kansas City	25	38	33
"	Omaha, Nebr.	Minneapolis	14.75	26½	23
"	do	Chicago	12	20½	24
"	Hutchinson, Kans.	do	27½	42	36½
"	Miles City, Mont.	do	33½	54½	47½
"	Helena, Mont.	do	44½	65½	57
"	Moscow, Idaho	Tacoma, Wash.	17	27	24
"	Chicago	New York (export)	13	33	22½
"	do	do (domestic)	16	34½	30
Corn	Peoria, Ill.	Memphis, Tenn.	12	22½	L22½ R18½
"	Lincoln, Nebr.	Kansas City	9.95	19½	15½
"	Omaha	Chicago	11.0	20½	21½
"	Chicago	New York (export)	13.0	33	L30½ R22½
"	"	" (domestic)	----	--	L38 R30
Cotton (compressed)	Jackson, Miss.	New Orleans	33	72	65½
"	Oklahoma City	Galveston	70	115	95
"	Raleigh, N. C.	Norfolk, Va.	39	67½	61
"	Memphis	New Orleans	17	40	36
"	do	New York	42½	124	95
Potatoes	Bangor, Me.	New York, N. Y.	26	52½	47½
"	Grand Rapids, Mich.	New York, N. Y.	29	58	52
"	St. Paul, Minn.	Chicago	17	29	26
"	Denver, Colo.	Chicago	45	76½	69
"	New Orleans, La.	Chicago	40	78½	70½
Dressed Beef	Chicago	New York	45	96½	96½
Apples	Winchester, Va.	New York	18	44	34
"	Springfield, Mo.	Chicago	28	46	41½
"	Wenatchee, Wash.	Chicago	100	166½	150
Oranges	Los Angeles	Chicago	115	192	173
"	Los Angeles	New York	115	192	173
"	Jacksonville, Fla.	Chicago	56	93½	84
"	Jacksonville, Fla. (All Rail)	New York	49	82	71½
Cattle (Live)	Dallas, Texas.	Kansas City	33½	54½	49
"	Omaha	Chicago	23½	40	36
"	Chicago	New York	28	63	63
Hogs (Live)	Lincoln, Nebr.	Kansas City	18½	31	28
"	Omaha	Chicago	23½	40	36
"	Chicago	New York	30	63	63
Tobacco (Leaf)	Danville, Va.	New York	36	60	54

L - Local
R - Reshipping

CONDITIONS IN ALABAMA are indicated in the following Monthly Letter, put out by Mr. F. D. Stevens, Farm Management Specialist:

"With the upward trend of prices for cotton much of the 1920 (40¢) and 1921 (20¢) cotton has been ultimately dumped at still a sacrifice price. This changing of collateral into cash has not been without some effect tending toward a more buoyant spirit among producers than heretofore has been in evidence so that they are entering upon this crop with renewed faith that the period of sacrifice on their part may soon have an ending.

"Nineteen-twenty-one being a favorable year in which to fight the boll weevil, with a consequent good yield on the part of those who planted cotton, together with ruling low prices for cattle, hogs, peanuts, corn and syrup, there appears an effort on the part of the farmers not only to increase their cotton acreage, but for those who discontinued the planting of it to again take up the cultivation of this, the southern farmer's money crop. With the recurrence of a favorable season, higher fertilization, and an intent of working it better, they hope to make sufficient yields which with satisfactory prices will in a measure aid them to recoup some of the losses they have sustained during the readjustment period. It is difficult to remember a time when the farmer has entered a season with more misgiving than he exhibits at the present time. He seems without ground on which to lay his plans, and as for cotton many vow that this is the last and final effort, a failure meaning complete disaster, while success as to both yield and price will allow him to settle old bills and continue with greater hopes of the future.

"In the more favored sections, as to soil and shipping facilities, truck has been moving in car lot shipments for the past month, and in such sections conditions of trade are above the average for the State. Most of this truck is shipped on the cooperative basis and with good results.

"Such cooperation, on a small scale, and with special crops, has led to an extension of the idea so that now the pooling plan is very popular through the State. Already the hay growers have organized with some 20,000 tons in the pool. The watermelon growers have pooled the product of some 4,000 or 5,000 acres, and the cotton growers are forming with a minimum pool of 100,000 bales.

"Farm labor seems more plentiful and at practically pre-war prices. Mines are running but part time or with reduced forces, and mine labor is being shipped to Union fields. This reduces the opportunity of farmers in the vicinity of mines who in the past were accustomed to a ready market for their farm products.

"I lately heard the remark in South Alabama, "Farmers are using their wive's butter and egg money to buy gas." This is significant in that some 5 to 7 years ago one seldom heard the term in the State "butter and egg money!"

WHAT WELL-INFORMED MEN THINK ABOUT HORSE PRODUCTION AND PRICES.

PROFESSOR G. F. WARREN, Head of the Department of Agricultural Economics and Farm Management at Cornell:

"Undoubtedly the use of tractors, trucks, and automobiles has permanently lowered the number of horses that we need per capita. Temporarily, it has doubtless lowered the number of horses that we need in the United States, but as population increases it is probable that we will again need more horses than we now have.

"The widespread introduction of trucks came at a time when there was already an over-production of horses. A cycle of depression in the horse industry would have occurred if there had been no trucks or tractors. The depression is greatly accentuated, particularly by trucks. Horse production is therefore greatly reduced.

"We do not miss the colt until it is three or four years old. It will therefore be three or four years after the number of colts raised is reduced to too low a level before the shortage will be apparent. After it is apparent, it will again be three or four years before the shortage can be supplied by beginning to raise colts.

"I look for the price of horses compared with the price of other things to gradually improve for a number of years. At the present price of horses it would be more profitable to buy young mares than to raise colts. There is at least a fair prospect that colts that are raised at the present time will be worth enough four years from now to pay for raising them. Some time in the next eight years there will doubtless be a distinct shortage of horses."

PROFESSOR ANDREW BOSS, Head of the Division of Agronomy and Farm Management at the University of Minnesota:

"Everyone is puzzled over the horse situation. A good many are trying to explain it but I am not sure that anyone has yet the correct solution of the tendency for the prices of horses to drag.

"The United States was well stocked with horses prior to the outbreak of the war. A good many had been raising colts and receiving fair prices for horses. Horses, however, were the one livestock class which did not become inflated by war prices. This may be taken to mean that there were horses enough in the country to run for some time on the strength of the colts that had been foaled and that were growing to maturity. It would take three to five years to exhaust the crop of colts coming on. We have found in a number of places in the northwest that few colts have been raised during the past three years. In my opinion, there is going to be a decided shortage of horses within the next five years due to the shortage of the colt crop.

"The shortage will not be so keenly felt perhaps because of the partial replacement of horses by the tractor. To just what extent this replacement has taken place I do not know. In my judgment, we will not require so many horses in the future per hundred acres of crop land as have been required in the past. But I do not believe that the United States is at present raising horses enough to supply the future demand.

"I believe that the need for horses in cities has grown permanently less. There is a tendency in some lines to turn from trucks and automobiles to horses again but sanitary conditions, together with promptness and rapidity of service will, I believe, result in the trucks and automobiles permanently holding their place in the city. Finally, while horses are at a low price now due to the reluctance of farmers to purchase, I believe that within two or three years prices will again be at a point where colt raising will be profitable."

PROFESSOR B. H. HIBBARD, Head of the Department of Agricultural Economics at the University of Wisconsin:

"Concerning the question of the future supply and price of horses, it seems to me we have indulged in an undue amount of nervousness. The last census, that is to say 1920, shows on farms a very small decrease in the number of horses as compared with 1910. This decrease is almost made up by the increase in mules. Since the increase in improved farm land was but five per cent, it would suggest strongly that the tractors have made but little progress in displacing the horse. The main decrease in the number of horses is in the city where apparently fewer and fewer are to be needed as the years go by. The census does not even bear out the current reports that young colts are scarce. Possibly they have become scarce since 1920. My belief is that within two years horses will be apparently scarcer than they are now and the price will rise, but I should guess only moderately. It is of no use to take an extreme view on either side with respect to power farming. It is undoubtedly here to stay. It will cover a part of the field, but probably a rather small part. Should this be a reasonable prediction, it would seem that we shall need somewhat fewer horses, therefore a smaller number will not mean real scarcity, but that the number needed will not be greatly smaller. Thus if, as reported, the number of colts in Iowa and Illinois during 1921 and 1922 is really greatly reduced, it would mean that by 1923 and 1924 the upward turn in prices should occur.

"I am unable to get greatly excited over the prospect of power on the American farms. The fact is we have had too many rather than not enough horses in the past, therefore a reduction of eight or ten per cent indicates the exercise of some common sense, not to say "horse sense."

PROFESSOR S. H. THOMPSON, of the Department of Agricultural Economics at Iowa State College of Agriculture:

"The average of monthly prices of horses in Iowa for the 15th of each month in 1913 was $158.40. There has been a steady decline since that time and in December 1915 the low point of $88 per head was reached. On March 15th the price rose to 98 or 62% of the 1913. Horses are higher normally in March than in December, January or February so the present upturn may be a seasonal swing.

"The increased use of trucks in cities has doubtless permanently lowered the number of horses that will be required there. Tractors have displaced some horses on farms but it remains to be seen how permanent that substitution will be. Tractors have been greatly oversold in many localities in recent years. Some continued to use them because they had them. Many will again take up the displaced horses. Horse feed is relatively cheap as compared to tractor "feed" and likely to remain so. If on the average farm the use of the tractor could be shown to result in more net dollars a different result would occur."

F. A. HAYS, Professor of Animal Husbandry at the Wyoming State College of Agriculture:

"In this particular State, there is a comparatively small number of first-class draft horses. There are a large number of useless range horses that have practically no value. Any one in the market for heavy horses would have difficulty in locating them and would be required to pay rather high prices.

"It seems to me that horses will be used more in the cities now that we are recovering from the motor craze and the truck has not been demonstrated to be as economical or dependable as was once thought. The tractor does not seem to affect the horse situation in this country to any appreciable extent; in fact, I know of a great many tractor owners who have gone back to the use of horses. The large surplus of tractors in the hands of implement dealers is good evidence of a very slack demand for this type of farm help.

"Personally, I believe that there is a good future for the heavy draft horse of quality. I do not think the light horse has much in the future."

E. L. RHOADES, State Farm Management Specialist, of Kansas:

"The use of tractors has permanently lowered the number of horses likely to be required on farms. I do not know how much influence this has had. The use of automobiles on farms has undoubtedly been the big thing which has driven horses out of the country by eliminating the extra teams kept for driving purposes or largely for driving purposes, saddle horses and in general the excess of horses kept on farms because they were desirable or necessary for road work."

[illegible]

[illegible]

PROFESSOR J. I. FALCONER, Head of the Department of Rural Economics at Ohio State University:

"Not only is the demand for horses in the city becoming less, but the use of the automobile and the truck, both large and small, in the country, has done much to reduce the number of horses required.

"The tractor also has had its effect along this line, but I believe it has been of less significance than the automobile and truck. With the advent of the automobile, the truck and the tractor, it would seem to me that possibly horse breeders would have to give more of their attemtion to the development of horses of medium weight. At the present rate of breeding it would seem to me that it would be but a few years before there will be a considerable advance in the price of horses, due to the decreased supply."

PROFESSOR L. A. MOORHOUSE, Head of the Department of Economics at Colorado State Agricultural College:

"Colorado is not an important horse producing State. I find in looking up the census figures for 1910 that our total number included 294,035. The comparative figure for 1920 gives us a total of 420,704 horses. This appears to be a perceptible increase. This increase should be considered however, in connection with our increase in the number of farms in this State. During the year 1910 Colorado reported a total of 46,170 farms, while in 1920 we had a total of 59,934, or approximately 60,000 farms. In the colt class one to two years old the census for 1910 shows a total of 29,601, while in 1920 we had a total in this group of 44,146. In the colt group there were 9,388 reported for the year 1910 and 41,429 for the year 1920. In general we can say that there is a fairly active demand for the large horses ranging in weight from 1400 to 1800 pounds and this type commands a fairly good price. The demand is much less active for the small horses weighing under 1400 pounds."

W. L. CAVERT, State Farm Management Specialist, of Minnesota:

"Regarding the prospective demand for horses, figures from the University of Minnesota statistical routes for the past twenty years show the average age of farm work horses at death to be 15½ years. If we assume these figures to be generally applicable, the farm supply of farm work horses and mules will be maintained if every year one colt is raised for every 13½ horses and mules, two years of age and over.

"According to the 1920 census, in 1919 one colt was raised for each 13.4 horses and mules on farms, two years or over. In 1918 one colt was raised for each 12.5 horses, two years and over. It is probable that in the years 1920 and 1921, the number of colts raised was not greater than in 1919, and possibly was materially less. The figures would indicate that just about enough horses are being raised to maintain the farm supply. According to the 1920 census, there are approximately ten farm horses, two years of age and over, for each horse not

on farms. If one roughly assumes that city horses have half the useful life of farm horses, then for each 100 farm horses, two years and over, 8.9 colts should be raised yearly in order to maintain the supply of both farm and city horses. In 1918, eight such colts were raised and 7.5 in 1919.

"If any appreciable number of horses are to be used in the cities in the future, it would seem that we are approaching a shortage, but the shortage may not be so great as the figures indicate, due to the fact that judging from the low price of horses in 1920 the farm supply at that time was probably more than adequate."

C. E. LADD, Professor of Farm Management at Cornell:

"I have just received figures from the Department of Health of New York City as to the number of horses in New York City for the following years:

1917	108,036
1919	75,740
1921	65,126

If I recall rightly the census shows about 53 per cent decrease in horses in cities in New York State from 1909 to 1919. These figures seem to indicate somewhere around a 13 per cent decrease in New York City from 1919 to 1921. I have seen no indication yet of an increase in the price of horses. I believe that we are still at the bottom of the curve and that the increasing use of trucks, tractors, and automobiles may keep us there for another year or two, possibly more. I have been looking for an increase in the price of horses for the past several years but see no indication of it yet."

E. L. CURRIER, Professor of Farm Management at the Montana Agricultural College:

"I think without a doubt that the need for horses in the cities has grown permanently less. Even towns and villages are using fewer horses for delivery purposes at the present time. I think also without a doubt that the use of tractors has permanently lowered the number of horses that will be required on farms. To what extent this tendency will go on is hard to say. In other words, how long it will take to use up the extra horses that we have in this country so that the supply will again adjust itself to the demand. I think without a doubt that we may expect that before very long the tide will turn and that raising horses will again be as profitable as it was formerly. Just when this will happen is a matter concerning which we may have opinions, but that is about as far as we can go.

"It seems to me personally, that we might reasonably expect an improvement in the horse situation pretty soon. Probably not until farming becomes more profitable but as other conditions become more normal and farming conditions become more profitable, it seems to me that we might expect the horse situation to again start toward normal."

A. B. Genung,
Office of Farm Management and Farm Economics
Washington, D. C.

[illegible]

[illegible]

[illegible]